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places where the property was reasonably kept, a statement as to what security precautions were taken to protect the property involved.

(8) With respect to claims involving property being used for the benefit of the Government, a statement by the employee's supervisor evidencing that the claimant was required to provide such property or that his providing it was in the interest of the Government.

(9) Other evidence as may be required by the General Counsel.

[36 FR 24427, Dec. 22, 1971, as amended at 48 FR 6536, Feb. 14, 1983]

Subpart C—Procedures for the Collection of Claims by the Government

AUTHORITY: 31 U.S.C. 3711, 3716-18, and 5 U.S.C. 5514; 42 U.S.C. 3535(d).

SOURCE: 36 FR 24427, Dec. 22, 1971, unless otherwise noted. Redesignated at 49 FR 32349, Aug. 14, 1984.

GENERAL PROVISIONS

§ 17.60 Scope and definitions.

(a) *Scope.* This subpart sets forth the regulations of the Secretary of Housing and Urban Development implementing the Federal Claims Collection Act of 1966, as amended by the Federal Debt Collection Act of 1982 (31 U.S.C. 3701 *et seq.*) (the Act), in conformity with the standards jointly promulgated by the Attorney General and the Comptroller General in 4 CFR parts 101 through 105. The Act:

(1) Requires the Secretary or his designee to attempt collection of all claims of the United States for money or property arising out of the activities of the Department; and

(2) Authorizes the Secretary or his designee to compromise claims that have not been referred to another executive or legislative agency for further collection action where the claim does not exceed \$100,000 exclusive of interest, or to suspend or terminate collection action where it appears that no person liable on the claim has the present or prospective financial ability to pay any significant sum thereon or that the cost of collecting the claim is likely to exceed the amount of recovery.

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(b) *Definitions.* As used in this subpart:

Administrative offset means withholding money payable by the United States Government to, or held by the Government for, a person to satisfy a debt the person owes the Government

Agency means:

(1) An Executive department, military department, Government corporation, or independent establishment as defined in 5 U.S.C. 101, 102, 103, or 104, respectively;

(2) The United States Postal Service; or

(3) The Postal Rate Commission.

Claim means the same as *Debt*.

Consumer Reporting Agency means:

(1) Any person, that for monetary fees, dues, or on a cooperative non-profit basis, regularly engages in whole or in part in the practice of assembling or evaluating consumer (individual) credit information or other information on consumers for the purpose of providing consumer reports to third parties, and that uses any means or facility of interstate commerce for the purpose of preparing or furnishing consumer reports. (15 U.S.C. 1681a(f)); or

(2) Any person who, for monetary fees, dues, or on a cooperative basis, regularly engages in whole or in part in the practice of (i) obtaining credit or other information on consumers for the purpose of furnishing such information to consumer reporting agencies (as defined in paragraph (1) of this definition), or (ii) serving as a marketing agent under arrangements enabling third parties to obtain such information from such reporting agencies.

Debt means an amount owed to the United States and past due, from sources which include loans insured or guaranteed by the United States and all other amounts due the United States from assigned mortgages or deeds of trust, direct loans, advances, repurchase demands, fees, leases, rents, royalties, services, sale of real or personal property, overpayments, penalties, damages, interest, fines and forfeitures (except those arising under the Uniform Code of Military Justice), and all other similar sources.

Debtor means the same as *person*.

Department means the Department of Housing and Urban Development.

Department Claims Officer: (see § 17.66).

Determination means the point at which the Secretary decides that the debt is valid.

Disposable pay means that part of current basic pay, special pay, incentive pay, retired pay, retainer pay, or in the case of an employee not entitled to basic pay, other authorized pay remaining after deductions required by law. Deductions from pay include:

(1) Amounts owed by the individual to the United States;

(2) Amounts withheld for Federal employment taxes;

(3) Amounts properly withheld for Federal, State, or local income tax purposes, if the withholding of the amount is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependent to which he or she were entitled. The withholding of additional amounts under 26 U.S.C. 3402(i) may be permitted only when the individual presents evidence of tax obligation which supports the additional withholding;

(4) Amounts deducted as health insurance premiums, including, but not limited to, amounts deducted from civil service annuities for Medicare where such deductions are requested by the Health Care Financing Administration;

(5) Amounts deducted as normal retirement contributions, not including amounts deducted for supplementary coverage. Amounts withheld as Survivor Benefit Plan or Retired Serviceman's Family Protection Plan payments are considered to be normal retirement contributions. Amounts voluntarily contributed toward additional civil service annuity benefits are considered to be supplementary;

(6) Amounts deducted as normal life insurance premiums from salary or other remuneration for employment, not including amounts deducted for supplementary coverage. Both Servicemen's Group Life Insurance and "Basic Life" Federal Employees' Group Life Insurance premiums are considered to be normal life insurance premiums; all optional Federal Employees' Group Life Insurance premiums and life in-

surance premiums paid for by allotment, such as National Service Life Insurance, are considered to be supplementary;

(7) Amounts withheld from benefits payable under title II of the Social Security Act where the withholding is required by law;

(8) Amounts mandatorily withheld for the U.S. Soldiers' and Airmen's Home; and

(9) Fines and forfeitures ordered by a court-martial or by a commanding officer.

Employee means a current employee of a Federal agency, including a current member of the Armed Forces or Reserve of the Armed Forces of the United States.

Office means the organization of each Assistant Secretary, the Government National Mortgage Association (GNMA), the Solar Energy and Energy Conservation Bank and each Field Office.

Pay means basic pay, special pay, income pay, retired pay, retainer pay, or, in case of an employee not entitled to basic pay, other authorized pay.

Person means any natural person or persons, profit or nonprofit corporations, partnership, association, trust, estate, government or government subdivision or other entity which is capable of owing a debt to the Government. For purposes of the interest provisions, person does not include an agency of the United States Government, a State government, or a unit of general local government.

Salary offset means a deduction from the pay of an employee without his or her consent to satisfy a debt. Salary offset is one type of administrative offset which may be used by the Department in the collection of claims.

Secretary means the Secretary of the Department of Housing and Urban Development or his or her designee.

United States includes an agency of the United States.

Waiver means the cancellation, remission, forgiveness, or non-recovery of a debt allegedly owed by an employee of an agency as permitted or required by 5 U.S.C. 5584, 10 U.S.C. 2774,

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32 U.S.C. 716, or 5 U.S.C. 8346(b), or any other law.

[36 FR 24427, Dec. 22, 1971. Redesignated and amended at 49 FR 32349, Aug. 14, 1984; 59 FR 34579, July 6, 1994]

§ 17.61 Incorporation of joint standards by reference.

All administrative actions to collect claims arising out of the activities of the Department shall be performed in accordance with the applicable standards prescribed in 4 CFR parts 101 through 105, which are incorporated by reference and supplemented in this subpart.

§ 17.62 Subdivision and joining of claims.

(a) A debtor's liability arising from a particular transaction or contract shall be considered as a single claim in determining whether the claim is one not exceeding \$100,000 exclusive of interest for the purpose of compromise or termination of collection action. Such a claim may not be subdivided to avoid the monetary ceiling established by the Act.

(b) Joining of two or more single claims in a demand upon a particular debtor for payment totaling more than \$100,000 does not preclude compromise or termination of collection action with respect to any one of such claims that does not exceed \$100,000 exclusive of interest.

[59 FR 34579, July 6, 1994]

§ 17.63 Authority of offices to attempt collection of claims.

The head of each office shall designate a claims collection officer, who shall attempt to collect in full all claims of the Department for money or property arising out of the activities of such office. Each claims collection officer shall establish and currently maintain a file with regard to each claim for which collection activities are undertaken.

[40 FR 28599, July 7, 1975. Redesignated at 49 FR 32349, Aug. 14, 1984]

§ 17.64 Referral of claims to the Assistant Secretary for Administration.

(a) *Authority of the Assistant Secretary for Administration.* The Assistant Sec-

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retary for Administration shall exercise the powers and perform the duties of the Secretary to compromise, or to suspend or terminate collection action on all Department claims not exceeding \$100,000 exclusive of interest, except as provided in § 17.65 and paragraph (b) of this section. When initial attempts at collection by the office having responsibility for such claims have not been fully successful, the claim file shall be forwarded to the Assistant Secretary for Administration for further administrative collection procedures. Claims shall be referred to the Assistant Secretary for Administration well within the applicable statute of limitations (28 U.S.C. 2415 and 2416), but in no event more than 2 years after the claims accrued.

(b) *Exclusions.* There shall be no compromised or terminated collection action with respect to any claim: (1) As to which there is an indication of fraud, the presentation of a false claim, or misrepresentation on the part of the debtor or any other party having an interest in the claim; (2) based in whole or in part on conduct in violation of the anti-trust laws; (3) based on tax statutes; or (4) arising from an exception made by the General Accounting Office in the account of an accountable officer. Such claims shall be promptly referred to the Justice Department or GAO, as appropriate.

[36 FR 24427, Dec. 22, 1971. Redesignated at 49 FR 32349, Aug. 14, 1984 (interim), as amended at 59 FR 34580, July 6, 1994]

§ 17.65 Authority of offices to compromise claims or suspend or terminate collection action.

(a) *Small claims.* The Assistant Secretary for Administration periodically shall establish and disseminate to claims collection officers a maximum dollar amount up to which claims collection officers are authorized to compromise a claim or suspend or terminate collection action on a claim.

(b) *Claims arising under certain programs.* (1) The office primarily responsible for the following programs of the Department is authorized, in those cases where initial collection attempts